

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 254163

10

ORIGIN EB-07

INFO OCT-01 ARA-06 ISO-00 CAB-02 CIAE-00 COME-00 DODE-00

DOT-00 INR-07 NSAE-00 CIEP-01 FAA-00 /024 R

DRAFTED BY EB/AN:ARIMAS:BA

APPROVED BY EB/OA:MHSTYLES

CAB:DLITTON

ARA/ECP:DTAHER

EB/AVP:SKEITER

COMMERCE:EGRAUMAN

DOT/OST:LERICKSON

----- 053873

R 140104Z OCT 76

FM SECSTATE WASHDC

TO AMEMBASSY BRASILIA

INFO AMCONSUL RIO DE JANEIRO

LIMITED OFFICIAL USE STATE 254163

E.O. 11652: N/A

TAGS: EAIR, BR

SUBJECT: CIVAIR: PROPOSED CHARTER FLIGHTS BY TIA/WORLD

REF: A) STATE 248737, B) BRASILIA 8451

1. TRANS INTERNATIONAL AIRWAYS (TIA) HAS REPORTEDLY APPLIED WITH BRAZILIAN AUTHORITIES FOR 13 US-BRAZIL CHARTER FLIGHTS FOR FIRST QUARTER 1977. TIA MAY ALSO APPLY FOR 10-15 ADDITIONAL FIRST QUARTER FLIGHTS. WORLD AIRWAYS FILED WITH BRAZILIAN AUTHORITIES APPLICATION FOR 23 FLIGHTS AND HAS PLANS TO APPLY FOR 5 MORE DURING SAME PERIOD. BOTH AIRLINES PROPOSE TO OPERATE SOME OF THEIR FLIGHTS FROM NEW YORK CITY, AND WORLD ALSO INTENDS TO ORIGINATE FLIGHTS FROM LOS ANGELES. THE NUMBER OF FLIGHTS FROM GATEWAYS IS NOT EXPECTED TO BE LARGE AND WILL BE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 254163

SCHEDULED TO MEET THE NEEDS OF THE OVERALL CHARTER PROGRAM.

2. TIA/WORLD HAVE REQUESTED DEPARTMENT'S ASSISTANCE IN OBTAINING BRAZILIAN APPROVAL FOR CHARTER PROGRAM. EMBASSY IS ACCORDINGLY REQUESTED TO MAKE INFORMAL REPRESENTATIONS TO AVIATION AND TOURISM AUTHORITIES, AS APPROPRIATE, ON AIRLINES' BEHALF. TALKING POINTS ALONG LINES PARA 3 BELOW ARE SUGGESTED.

3. (A) APPROVAL OF TIA/WORLD CHARTERS WOULD FACILITATE US TOURIST TRAVEL TO BRAZIL, AND ASSIST THAT COUNTRY'S BALANCE OF PAYMENTS. (B) GATEWAY RESTRICTIONS WOULD NOT BE APPROPRIATE SINCE US HAS PERMITTED BRAZILIAN AIRLINES FULL ACCESS TO US POINTS FOR CHARTER FLIGHT PURPOSES. (C) VARIG IS BECOMING INCREASINGLY ACTIVE IN US CHARTER MARKET. DURING QUARTER WHICH ENDED JUNE 30, 1976, VARIG HAS CONDUCTED 37 CHARTERS (833 TONS OF CARGO AND SOME 500 PASSENGERS) EARNING 1.2 MILLION DOLS REVENUE. VARIG HAS NOW TAKEN PRELIMINARY ADMINISTRATIVE STEPS LEADING TO APPLICATION FOR ADDITIONAL 22 US PASSENGER CHARTERS TO BE OPERATED AS OF NOVEMBER 6. SPECIAL CAB AUTHORIZATION IS REQUIRED. VARIG PLANS TO ORIGINATE FLIGHTS FROM SOME EIGHT US OFF-ROUTE CITIES AS WELL AS GATEWAYS. CONSIDERATION OF VARIG'S APPLICATION, WHEN MADE, WOULD BE BASED ON RECIPROCITY ACCORDED BY GOB TO US AIRLINES. (D) CONSISTENT WITH OTHER APPROACHES MADE TO GOB WITH REGARD FUEL TAX ISSUE (REFTELS) EMBASSY MAY REMIND AUTHORITIES, IN APPROPRIATE MANNER, THAT WE ARE HOPEFUL THE FUEL TAX ISSUE CAN BE RESOLVED BEFORE CHARTER PROGRAM IS IMPLEMENTED, SO THAT TAX WOULD NOT BE ASSESSED ON PROPOSED CHARTER FLIGHTS. FUEL TAX REVENUE LOST TO GOB WOULD BE OFFSET BY BENEFITS TO BRAZILIAN ECONOMY OF ADDITIONAL TOURIST SPENDING FACILITATED BY US CHARTER PROGRAM; WHICH IN TURN WOULD GENERATE INCREASED GOB REVENUE FROM EXTRA TAXES.

4. FYI. CAB STAFF INTENDS TO LINK ITS CONSIDERATION OF CONTEMPLATED VARIG CHARTERS TO BRAZILIAN TREATMENT OF TIA/WORLD CHARTERS. IF NO RESOLUTION OF FUEL TAX ISSUE REACHED IN NEAR FUTURE, CAB STAFF ALSO INTENDS TO RECOMMEND FOR US INTER-AGENCY CONSIDERATION THAT FURTHER LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 254163

FUEL ALLOCATIONS OF LOWER COST US DOMESTIC FUEL BE WITHHELD FROM ANY CHARTERS OPERATED BY VARIG. END FYI.

KISSINGER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TOURISM, AIR ROUTE APPLICATIONS, BALANCE OF PAYMENTS, GOVERNMENT REVENUES, TAXES
Control Number: n/a
Copy: SINGLE
Draft Date: 14 OCT 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE254163
Document Source: CORE
Document Unique ID: 00
Drafter: ARIMAS:BA
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760385-0920
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761052/aaaabswk.tel
Line Count: 111
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 STATE 248737, 76 BRASILIA 8451
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 16 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16 JUL 2004 by CunninFX>; APPROVED <19 JUL 2004 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CIVAIR: PROPOSED CHARTER FLIGHTS BY TIA/WORLD
TAGS: EAIR, BR, US, TIA
To: BRASILIA
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006